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FURR LAW FIRM		VIZVARY, GERALD C	
2622 DEBOLT ROAD			
UTICA, OH 43080			

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Please find below and/or attached an Office communication concerning this application or proceeding.

The time period for reply, if any, is set in the attached communication.

PTOL-90A (Rev. 04/07)

	Application No.	Applicant(s)
Office Action Summary	10/605,755	BALLMAN, GLENN
	Examiner	**Art Unit**	
	Gerald C. Vizvary	3609	

-- The MAILING DATE of this communication appears on the cover sheet with the correspondence address --

Period for Reply

A SHORTENED STATUTORY PERIOD FOR REPLY IS SET TO EXPIRE *3* MONTH(S) OR THIRTY (30) DAYS, WHICHEVER IS LONGER, FROM THE MAILING DATE OF THIS COMMUNICATION.
- Extensions of time may be available under the provisions of 37 CFR 1.136(a). In no event, however, may a reply be timely filed after SIX (6) MONTHS from the mailing date of this communication.
- If NO period for reply is specified above, the maximum statutory period will apply and will expire SIX (6) MONTHS from the mailing date of this communication.
- Failure to reply within the set or extended period for reply will, by statute, cause the application to become ABANDONED (35 U.S.C. § 133). Any reply received by the Office later than three months after the mailing date of this communication, even if timely filed, may reduce any earned patent term adjustment. See 37 CFR 1.704(b).

Status

1) ☐ Responsive to communication(s) filed on _____.

2a) ☐ This action is **FINAL**.   2b) ☒ This action is non-final.

3) ☐ Since this application is in condition for allowance except for formal matters, prosecution as to the merits is closed in accordance with the practice under *Ex parte Quayle*, 1935 C.D. 11, 453 O.G. 213.

Disposition of Claims

4) ☒ Claim(s) *1-24* is/are pending in the application.

    4a) Of the above claim(s) _____ is/are withdrawn from consideration.

5) ☐ Claim(s) _____ is/are allowed.

6) ☐ Claim(s) _____ is/are rejected.

7) ☐ Claim(s) _____ is/are objected to.

8) ☐ Claim(s) _____ are subject to restriction and/or election requirement.

Application Papers

9) ☐ The specification is objected to by the Examiner.

10) ☐ The drawing(s) filed on _____ is/are: a) ☐ accepted or b) ☐ objected to by the Examiner.

    Applicant may not request that any objection to the drawing(s) be held in abeyance. See 37 CFR 1.85(a).

    Replacement drawing sheet(s) including the correction is required if the drawing(s) is objected to. See 37 CFR 1.121(d).

11) ☐ The oath or declaration is objected to by the Examiner. Note the attached Office Action or form PTO-152.

Priority under 35 U.S.C. § 119

12) ☐ Acknowledgment is made of a claim for foreign priority under 35 U.S.C. § 119(a)-(d) or (f).

    a) ☐ All b) ☐ Some * c) ☐ None of:

      1. ☐ Certified copies of the priority documents have been received.

      2. ☐ Certified copies of the priority documents have been received in Application No. _____.

      3. ☐ Copies of the certified copies of the priority documents have been received in this National Stage application from the International Bureau (PCT Rule 17.2(a)).

    * See the attached detailed Office action for a list of the certified copies not received.

KHOI H. TRAN
SUPERVISORY PATENT EXAMINER

Attachment(s)

1) ☒ Notice of References Cited (PTO-892)

2) ☐ Notice of Draftsperson's Patent Drawing Review (PTO-948)

3) ☐ Information Disclosure Statement(s) (PTO/SB/08)
    Paper No(s)/Mail Date _____.

4) ☐ Interview Summary (PTO-413)
    Paper No(s)/Mail Date. _____.

5) ☐ Notice of Informal Patent Application

6) ☐ Other: _____.

Claim Objections

1.   Claim 22 is objected to because of the following informalities: The claim uses poor English grammar as the word "invite" is a verb and a noun is required in this context. Appropriate correction is required.

2.   Claim 2 is objected to because of the following informalities: The sentence ends with a semicolon. Appropriate correction is required.

Claim Rejections - 35 USC § 101

1.   35 U.S.C. 101 reads as follows:

> Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Under the statutory requirement of 35 U.S.C. § 101, a claimed invention must produce a useful, concrete, and tangible result. For a claim to be useful, it must yield a result that is specific, substantial, and credible (MPEP § 2107). A concrete result is one that is substantially repeatable, i.e., it produces substantially the same result over and over again (*In re Swartz, 232 F.3d 862, 864, 56 USPQ2d 1703, 1704 (Fed. Cir. 2000)*). In order to be tangible, a claimed invention must set forth a practical application that generates a real-world result, i.e., the claim must be more than a mere abstraction (*Benson, 409 U.S. at 71-72, 175 USPQ at 676-77*). Additionally, a claim may not preempt abstract ideas, laws of nature or natural phenomena nor may a claim preempt every "substantial practical application" of an abstract idea, law of nature or natural phenomena because it would in practical effect be a patent on the judicial exceptions

themselves (*Gottschalk v. Benson, 409 U.S. 63, 71-72 (1972)*). (Please refer to the

"Interim Guidelines for Examination of Patent Applications for Patent Subject Matter

Eligibility" for further explanation of the statutory requirement of 35 U.S.C. § 101.).

Claims 2-4 & 11-18 are rejected under 35 USC 101 because the claimed invention is

not supported by either a credible asserted utility or a well-established utility. Claim 2

recites "A system that allows corresponding accounts for each beneficial rights holder or

trust holder in the capitalization table" without showing a structure of which such a

system is comprised.

Claim Rejections - 35 USC § 112

3.   The following is a quotation of the first paragraph of 35 U.S.C. 112:

> The specification shall contain a written description of the invention, and of the manner and process of
> making and using it, in such full, clear, concise, and exact terms as to enable any person skilled in the
> art to which it pertains, or with which it is most nearly connected, to make and use the same and shall
> set forth the best mode contemplated by the inventor of carrying out his invention.

Claims 2-4 & 11-18 are rejected under 35 USC 112, first paragraph. Specifically, since

the claimed invention is not supported by either a credible asserted utility or a well

established utility for the reasons set forth above, one skilled in the art clearly would not

know how to use the claimed invention.

4.   Claim 20 is rejected under 35 U.S.C. 112, first paragraph, as failing to comply

with the enablement requirement. The claim(s) contains subject matter, which was not

described in the specification in such a way as to enable one skilled in the art to which it

pertains, or with which it is most nearly connected, to make and/or use the invention.

5.   Claim 20 recites an "instability alert, which senses the direction of the security

and moves the price instability alert larger or smaller accordingly".

6.   An alert is not recited in the specification.

7.   The terms "static" and "dynamic" are mentioned only in paragraph [0096] in

another context.

8.   No mention is made of how the "sensing" is done.

9.   No mention is made of how an "alert" can sense.

10.   The language "...alert that senses the direction of the security and moves the

price instability alert larger or smaller accordingly." fails to recite what is being done or

how it is accomplished.

For prosecution purposes the examiner interprets the instability alert to mean exceeding

the limits of preset parameters.

Claim Rejections - 35 USC § 102

11.   The following is a quotation of the appropriate paragraphs of 35 U.S.C. 102 that

form the basis for the rejections under this section made in this Office action:

> A person shall be entitled to a patent unless –
>
> (b) the invention was patented or described in a printed publication in this or a foreign country or in public use or on sale in this country, more than one year prior to the date of application for patent in the United States.

12.   Claims 2- 4, 11 & 12-18 are rejected under 35 U.S.C. 102(b) as being anticipated

by Lee Pub. No.2002/0133446 A1.

As for claim 2, Lee (Pub. No.2002/0133446 A1) shows a system that allows

corresponding accounts for each beneficial rights holder or trust holder in the

capitalization table ("The new web page further provides a current stock holding status

table. The current stock holding status table shows the list of items that remains in the

client's account at the present, transaction date of remained items, buy value amounts

at the past basket items buy transaction, present value amount." Lee Pub.

No.2002/0133446 A1 paragraph [0090]);

As for claim 3, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 2 in

which the total number of outstanding and authorized securities for an issuer are

entered ("The step of (c) registering investment information includes a step of (c1)

registering discretionary investment reservation information. The step of (c1) provides at

least one web page which includes input boxes for receiving client identification

information, password, client's registered number, code or title of item to be transacted,

and volumes and value amount to be transacted." Lee Pub. No.2002/0133446 A1

paragraph [0142])

As for claim 4, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 2 in

which the total number of outstanding securities are entered per beneficial rights holder;

corporate or trust holder ("The step (c1) further supports registration of stock transaction

reservation information and reservation transaction execution, and updates the stock

transaction reservation information in response to the execution results of reserved

transaction." Lee Pub. No.2002/0133446 A1 paragraph [0071]);

As for claim 11, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 4

in which said system is a data processing system ("In accordance with the first aspect of

the present invention, the data processing unit further comprises a client paging

supporting module which retrieves client paging information and transmits client paging

signal to the client terminal that is registered to be informed at the predetermined paging

time in case that present stock price of an item registered by the investment information

and management module is matched with the reserved bidding price (buy bidding price

range or sell bidding price range)".Lee Pub. No.2002/0133446 A1 paragraph [0016])

As for claim 12, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 11

in which said system is processed in a client server system ("Further, the stock

exchange supporting program can be operated by being loaded on a client server or a

client terminal based on a personal computer having a web browser which is able to edit

or display web documents and is connected to the sever of the securities firm or the

investment consultancy firm. Lee Pub. No.2002/0133446 A1. paragraph [0050])

As for claim 13, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 11

in which said system is connected to through the Internet ("...the internet connection

program is loaded and an IP (internet protocol) address of a mobile communication

service provider is automatically sent to a domain server..." Lee Pub. No.2002/0133446

A1 paragraph [0018])

As for claim 14, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 11

in which said system is connected to wireless devices ("In accordance with the first

aspect of the present invention, the client paging supporting module further comprises

at least one client paging terminal connected to the information sending/recording and

terminal management module through a local area network (LAN), and having a

communication interface for connecting the client paging supporting module to the LAN

and a telecommunication interface means (i.e. modem card) for connecting the client

paging supporting module to a telecommunication network" Lee Pub. No.2002/0133446

A1 paragraph [0018])

As for claim 15, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 11,

further comprising:

(a) computer processor means for processing data ("In accordance with the first aspect

of the present invention, the data processing unit further comprises a client paging

supporting module which retrieves client paging information and transmits client paging

signal to the client terminal that is registered to be informed at the predetermined paging

time in case that present stock price of an item registered by the investment information

and management module is matched with the reserved bidding price (buy bidding price

range or sell bidding price range). Lee Pub. No.2002/0133446 A1 paragraph [0016]);

(b) storage means for storing said data on a storage medium ("The present invention

further relates to a method for supporting stock exchange and a storage medium storing

a computer program for implementing the same method. Lee Pub. No.2002/0133446 A1

paragraph [0001]);

(c) communication means for transmitting data in a secure environment to and from

various remote locations ("...and an information sending/recording and terminal

management module for selecting appropriate communication protocol and establishing

connection to the communication network..." Lee Pub. No.2002/0133446 A1 paragraph

[0017]); and

(d) computer software means for creating and displaying trade data concerning a

particular trade in the form of a trade record ("and an information sending/recording and

terminal management module for selecting appropriate communication protocol and

establishing connection to the communication network such that the client paging

information decided to be sent to the client by the priority determination module is

classified into appropriate data formats so as to be automatically displayed on web

pages provided by corresponding mobile communication service providers, and storing transmission-reserved information in a memory. Lee Pub. No.2002/0133446 A1 paragraph [0017])

As for claim 16, Lee (Pub. No.2002/0133446 A1) shows a system, as claimed in claim 15 wherein said computer software means further comprises: means for inputting and storing system information on said storage means ("The module 110 receives, registers and records various stock transaction reservation information inputted from the client terminals. Lee Pub. No.2002/0133446 A1 paragraph [0057])

As for claim 17, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 2 in which said system is a data processing system ("In accordance with the first aspect of the present invention, the data processing unit is a server of a securities firm or an investment consultancy firm, the server supporting stock exchange and providing stock transaction information." Lee Pub. No.2002/0133446 A1 paragraph [0009])

As for claim 18, Lee (Pub. No.2002/0133446 A1) shows a system according to claim 3 in which said system is a data processing system ("In accordance with the first aspect of the present invention, the data processing unit is a server of a securities firm or an investment consultancy firm, the server supporting stock exchange and providing stock transaction information." Lee Pub. No.2002/0133446 A1 paragraph [0009])

Claim Rejections - 35 USC § 103

13.   The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all

obviousness rejections set forth in this Office action:

> (a) A patent may not be obtained though the invention is not identically disclosed or described as set
> forth in section 102 of this title, if the differences between the subject matter sought to be patented and
> the prior art are such that the subject matter as a whole would have been obvious at the time the
> invention was made to a person having ordinary skill in the art to which said subject matter pertains.
> Patentability shall not be negatived by the manner in which the invention was made.

14.   Claims 1, 5-10 & 19-24 are rejected under 35 U.S.C. 103(a) as being

unpatentable over Lee (Pub. No.2002/0133446 A1) in view of Milam (Pub. No

2002/0138385 A1).

1. As for claim 1, Lee teaches a securities transaction system (Pub. No.2002/0133446

A1 paragraph [0001])

Lee fails to teach a system that allows the creation of a capitalization table

Milam teaches ("a Mall Chart™ configured to include one or more of: elements of the

Galt Score™ reflecting the life cycle status, a capitalization table to facilitate valuing the

company at each stage of the life cycle, and links to the cash-flow statement and

revenue projections from the start-up's financial forecasts." Milam Pub. No

2002/0138385 A1 paragraph [[0060]).

It would have been obvious to one of ordinary skill in the art at the time of the invention

to modify the invention of Lee to include the capitalization feature of McRedmond "to

facilitate valuing the company at each stage of the life cycle" (Milam Pub. No 2002/0138385 A1 paragraph [[0060]]).

As for claim 5, Lee further shows a system according to claim 1 in which said system is a data processing system ("In accordance with the first aspect of the present invention, the data processing unit is a server of a securities firm or an investment consultancy firm, the server supporting stock exchange and providing stock transaction information." Lee Pub. No.2002/0133446 A1 paragraph [0009])

As for claim 6, Lee further shows a system according to claim 5 in which said system is processed in a client server system ("Further, the stock exchange supporting program can be operated by being loaded on a client server or a client terminal based on a personal computer having a web browser which is able to edit or display web documents and is connected to the sever of the securities firm or the investment consultancy firm." Lee Pub. No.2002/0133446 A1 paragraph [0050])

As for claim 7, Lee further shows a system according to claim 5 in which said system is connected to through the Internet ("The client informed of the consultancy information from the investment consultancy firm can directly make an order through the securities firm in which the account is opened by telephone, internet or terminal connected to a computer of the securities firm." Lee Pub. No.2002/0133446 A1 paragraph [0222])

As for claim 8, Lee further shows a system according to claim 5 in which said system is connected to wireless devices ("The client may enter the stock transaction reservation a information by key-in using the module 110. The stock transaction reservation information includes client identification (ID) information and client paging information such as terminal ID on the client's communication network, e-mail address or radio pager number, and predetermined paging time. ." Lee Pub. No.2002/0133446 A1 paragraph [0222])

As for claim 9, Lee further shows a system according to claim 5, further comprising:

(a) computer processor means for processing data ("In accordance with the first aspect of the present invention, the data processing unit further comprises a client paging supporting module which retrieves client paging information and transmits client paging signal to the client terminal that is registered to be informed at the predetermined paging time in case that present stock price of an item registered by the investment information and management module is matched with the reserved bidding price (buy bidding price range or sell bidding price range). Lee Pub. No.2002/0133446 A1 paragraph [0016]);

(b) storage means for storing said data on a storage medium ("The present invention further relates to a method for supporting stock exchange and a storage medium storing a computer program for implementing the same method. Lee Pub. No.2002/0133446 A1 paragraph [0001]);

(c) communication means for transmitting data in a secure environment to and from various remote locations ("...and an information sending/recording and terminal management module for selecting appropriate communication protocol and establishing connection to the communication network..." Lee Pub. No.2002/0133446 A1 paragraph [0017]); and

(d) computer software means for creating and displaying trade data concerning a particular trade in the form of a trade record ("and an information sending/recording and terminal management module for selecting appropriate communication protocol and establishing connection to the communication network such that the client paging information decided to be sent to the client by the priority determination module is classified into appropriate data formats so as to be automatically displayed on web pages provided by corresponding mobile communication service providers, and storing transmission-reserved information in a memory. Lee Pub. No.2002/0133446 A1 paragraph [0017])

As for claim 10, Lee further shows a system, as claimed in claim 9 wherein said computer software means further comprises: means for inputting and storing system information on said storage means ("The module 110 receives, registers and records various stock transaction reservation information inputted from the client terminals. Lee Pub. No.2002/0133446 A1 paragraph [0057])

As for claim 19, Lee further shows a system according to claim 1 in which the trading of securities are done directly between rights holders ("Further, by using the stock exchange supporting system in accordance with the present invention, it is possible to alternately execute buy transactions and sell transactions of stock exchange up to n_{th} times by registering the stock transaction reservation information once." Lee Pub. No.2002/0133446 A1 paragraph [0007])

As for claim 20, Lee further shows a system according to claim 1 in which the system creates a static-dynamic price instability alert and a separate dynamic price instability alert that senses the direction of the security and moves the price instability alert larger or smaller accordingly ("In response to the registered stock transaction reservation information, the stock exchange supporting system continuously or regularly monitors present stock prices of the items which is registered to be transacted by the clients, directly executes transaction of stock exchange of the items when present stock prices of the items meet the registered investment parameters or investment condition, and provides the client with results of transaction execution through client paging supporting systems at a predetermined paging time. However, instead of directly executing transaction of the stock exchange when present stock prices of the shares meet the registered investment parameters, the system can provide the client with the real time stock price information, so that the clients can make a transaction execution order of stock exchange by themselves." Lee Pub. No.2002/0133446 A1 paragraph [0002])

As for claim 21, Lee further shows a system according to claim 1 in which the system moves an existing beneficial rights holder order book into a market auction after a price instability alert ("In response to the registered stock transaction reservation information, the stock exchange supporting system continuously or regularly monitors present stock prices of the items which is registered to be transacted by the clients, directly executes transaction of stock exchange of the items when present stock prices of the items meet the registered investment parameters or investment condition, and provides the client with results of transaction execution through client paging supporting systems at a predetermined paging time. However, instead of directly executing transaction of the stock exchange when present stock prices of the shares meet the registered investment parameters, the system can provide the client with the real time stock price information, so that the clients can make a transaction execution order of stock exchange by themselves." Lee Pub. No.2002/0133446 A1 paragraph [0002]) and ("The message including code of item, title of item, present stock price, buy/sell recommendation, buy bidding price or sell bidding price and volumes is inputted into the input box for receiving message. If the button "paging" is selected on the web page, the inputted information is sent to the client's pager by way of mobile communication service provider." Lee Pub. No.2002/0133446 A1 paragraph [0291]).

This provides the client with the option of directly executing a transaction of the stock exchange buy or sell bidding price when stock prices of the shares meet the registered investment parameters or the system can provide the client with the real time stock

price information, so that the clients can make a transaction execution order of stock

exchange by themselves.

As for claim 22, Lee further shows a system according to claim 1 that creates an invite

to a shareholder who is not a part of said system. ("Transmission system for providing

sales information to whom seeks to good bargains." Lee Pub. No.2002/0133446 A1

paragraph [0306])

As for claim 23, Lee further shows a system according to claim 1, which displays the

beneficial rights holder in the order book during the auction bid and ask book creation

("The message including code of item, title of item, present stock price, buy/sell

recommendation, buy bidding price or sell bidding price and volumes is inputted into the

input box for receiving message. If the button "paging" is selected on the web page, the

inputted information is sent to the client's pager by way of mobile communication

service provider." Lee Pub. No.2002/0133446 A1 paragraph [0291])

As for claim 24, Lee teaches a securities transaction system according to claim 1 (Pub.

No.2002/0133446 A1 paragraph [0001])

Lee fails to teach a system that displays and discloses a capitalization table to an issuer

and other market participants as each security trade occurs

Milam teaches ("a Mall Chart™ configured to include one or more of: elements of the

Galt Score™ reflecting the life cycle status, a capitalization table to facilitate valuing the

company at each stage of the life cycle, and links to the cash-flow statement and

revenue projections from the start-up's financial forecasts." Milam Pub. No

2002/0138385 A1 paragraph [[0060]).

It would have been obvious to one of ordinary skill in the art at the time of the invention

to modify the invention of Lee to include the capitalization feature of McRedmond "to

facilitate valuing the company at each stage of the life cycle" (Milam Pub. No

2002/0138385 A1 paragraph [[0060]).

Conclusion

15.   The prior art made of record and not relied upon is considered pertinent to

applicant's disclosure.

McRedmond (2001/0034692) shows an invention creating a secondary market in

private equities by auctioning venture-backed private equities over the Internet to

qualified investors. Typical sources for the private equities will be interests in limited

partnerships and pre-IPO or pulled-IPO securities. The operator of the system may

sometimes take a position in certain private equities so as to have "inventory" to later

sell on the system. In a typical buyer-driven transaction using the present invention, a

qualified buyer puts out a bid for private assets in a particular area. Sellers who

subscribe to the system receive notice of the bid and can then respond. In a typical

seller-driven transaction using the present invention, a seller puts out a notice on the

system of equities for sale. Buyers who subscribe to the system receive notice and can

respond. Either the buyer or the seller may be charged by the system, depending on the

transaction.

Musmanno (US 5940809 A1) shows a central asset management system having a

central reference facility for coordination of all transaction processing. For each

customer, a unique identifier (UID) is assigned as a stable, semi-permanent tag. The

UID is then used for subsequent processing relating to that customer, even with multiple

customer accounts, rather than individual transaction numbers for each process. Use of

the UID is facilitated through a front-end processor that handles all incoming external

transaction data and converts it into a usable format, cross-referenced with the

appropriate UID. Use of the UID reduces the overall variability and number of

transaction identifiers, thus increasing efficiency and simplifying all aspects of the

system. The system makes other simplifying uses of the UID, for example, as a key for

segregating the transaction processes into different processing areas to be performed

simultaneously. Once processed, transactions are converted back into the necessary

formats usable by various external systems by a back end processor.

Any inquiry concerning this communication or earlier communications from the examiner should be directed to Gerald C. Vizvary whose telephone number is 571-270-3268. The examiner can normally be reached on Monday thru Friday.

If attempts to reach the examiner by telephone are unsuccessful, the examiner's supervisor, Khoi Tran can be reached on 571-272-6919. The fax phone number for the organization where this application or proceeding is assigned is 571-270-4268.

Information regarding the status of an application may be obtained from the Patent Application Information Retrieval (PAIR) system. Status information for published applications may be obtained from either Private PAIR or Public PAIR. Status information for unpublished applications is available through Private PAIR only. For more information about the PAIR system, see http://pair-direct.uspto.gov. Should you have questions on access to the Private PAIR system, contact the Electronic Business Center (EBC) at 866-217-9197 (toll-free). If you would like assistance from a USPTO Customer Service Representative or access to the automated information system, call 800-786-9199 (IN USA OR CANADA) or 571-272-1000.

Gerald Vizvary
Patent Examiner, A.U. 3609
September 12, 2007

KHOI H. TRAN
SUPERVISORY PATENT EXAMINER